



## TRUCK LEASE AND SERVICE AGREEMENT

THIS AGREEMENT is made as of the Sixth day of August, 19 98, between SALEM TRUCK LEASING, INC., with an address at 9505 Avenue D, Brooklyn, New York 11236 ("Salem"), and BERARDINO BERNABE GUTIERREZ

Partnership address at Corporation (State of Incorporation) 223 Hope Ave. Passaic, NJ. 07055 Proprietorship, with an

("Customer").

Navigator Financial Corporation possesses a security interest in the within lease and the rights to rentals thereunder.

### Paragraph (1) PROPERTY COVERED

Salem agrees to lease to Customer and Customer agrees to lease from Salem the equipment described on each Schedule A now or later executed by Salem and Customer. That equipment and all other equipment provided to Customer under this Agreement is referred to as the "Vehicle." Execution of a Schedule A by Customer is Customer's authorization to Salem to acquire the Vehicle listed on that Schedule A. This Agreement shall become effective for each Vehicle listed on Schedule A when the Schedule A for the Vehicle is executed by the parties. Acceptance of a Vehicle by Customer is an acknowledgement that the Vehicle complies with Customer's specifications. Customer agrees to pay for the cost, installation and maintenance of any alterations, pollution-related or safety-related equipment required by Customer or by a governmental agency after the date of the applicable Schedule A. A Vehicle provided by Salem to Customer for use during the period between the date a Schedule A is signed by Customer and Salem and the Date in Service of a Vehicle listed on Schedule A is an "interim" Vehicle. If Salem provides Customer with an interim Vehicle, it shall be subject to all the provisions of this Agreement, for the period of time while Salem provides it for Customer's use. A Vehicle provided by Salem to Customer which is neither listed on Schedule A, an interim Vehicle nor a substitute Vehicle (under Paragraph 7), is an "extra" Vehicle. If Salem provides Customer with an extra Vehicle, it shall be subject to all the provisions of this Agreement for the period of time while Salem provides it for Customer's use, except for the charges which shall be paid by Customer under Article 19. Salem shall have no obligation to do any special painting or lettering on, or furnish any special equipment for, an interim, extra or substitute Vehicle.

### Paragraph (2) TERM

The term of this Agreement for each Vehicle shall begin on the Date in Service shown on Schedule A and shall expire when the Term shown on Schedule A has elapsed. Customer authorizes Salem to insert the Date in Service, Unit Number, Model Year, and Serial Number of the Vehicle on Schedule A. The Date in Service shall be the date on which Salem notifies Customer that the Vehicle is available for Customer's use.

On the expiration of a Vehicle's term Customer shall return the Vehicle to Salem at the location designated by Salem in the same condition as on the Date in Service, reasonable wear and tear excepted, including removal of all graffiti at Customer's expense. Customer shall have no right and no obligation to buy a Vehicle for which the Term has expired. A Vehicle not returned on or prior to its expiration date shall continue to be subject to the terms and conditions of this Agreement and Customer agrees to return the Vehicle to Salem on written notice.

### Paragraph (3) MAINTENANCE AND SERVICES

#### A. Salem agrees to provide:

1. Oil, lubricants, tires, tubes, and all other operating supplies and accessories necessary for the proper operation of the Vehicle;
2. Maintenance and repairs which may be required to keep the Vehicle in good operating condition and appearance; and,
3. Initial lettering, according to Customer's specifications, in an amount not more than shown on Schedule A, Column 11.

B. Customer agrees to return each Vehicle to Salem for service and maintenance at facilities designated by Salem for a minimum of eight (8) hours at intervals specified by Salem during Salem's normal business hours. Each time that a Vehicle is returned to Salem's facility, Customer's driver shall report in writing any adjustments or repairs needed on the Vehicle. Except as so reported, it shall be presumed that the Vehicle operated satisfactorily.

C. Customer agrees not to cause or permit any party other than Salem or parties expressly authorized by Salem to make repairs or adjustments to the Vehicle. When repairs are necessary, Customer shall notify Salem by the speediest means of communication available. Salem will not be responsible for any repair or service while the Vehicle is away from Salem's facility, unless expressly authorized by Salem.

D. If Salem authorizes repairs or adjustments under subParagraph C; above, Customer shall, within thirty (30) days from the date of purchase by Customer of any item for which it seeks reimbursement, furnish to Salem substantiation of the purchase by a dated original receipt showing cost, Unit Number, date of purchase, hubodometer reading at time of purchase and Customer's driver's signature.

E. Salem shall wash each vehicle once a month at 8 Hackensack Ave., South Kearny, NJ.